

AMENDED IN SENATE MAY 8, 2003
AMENDED IN SENATE APRIL 28, 2003

SENATE BILL

No. 680

Introduced by Senator McPherson

February 21, 2003

An act to amend Sections 69432.7 and 69437.6 of, and to add Article 6.3 (commencing with Section 69439.3) to Chapter 1.7 of Part 42 of, the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

SB 680, as amended, McPherson. Student financial aid: Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program: high school grade point average : *nontraditional, returning, and older adult students*.

~~(1) Existing~~

Existing law, known as the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, establishes the Cal Grant A and B entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions.

An existing provision of the act defines "high school grade point average" as a grade point average calculated on a 4.0 scale, using all academic coursework, except that during the sophomore year, the summer following the sophomore year, the junior year, and the summer following the junior year, the grades for physical education, reserve

officer training corps, and remedial courses are excluded from that calculation.

~~This bill would instead define “high school grade point average” as a grade point average calculated on a 4.0 scale, using all academic coursework known to the reporting official and calculated pursuant to school rules used to determine a pupil’s class standing.~~

~~(2) Existing~~

Existing provisions of the act require applicants for competitive Cal Grant A awards or competitive Cal Grant B awards to comply with various requirements, among which is the attainment of a minimum high school grade point average.

~~This bill would instead authorize applicants for these competitive awards to submit a qualifying community college or college grade point average, as defined, in lieu of a high school grade point average. The bill would establish, commencing in an unspecified fiscal year, the Cal Grant M Program awards to defray the cost of tuition and mandatory systemwide fees require the Student Aid Commission to convene a committee to review the existing formula for calculating high school grade point averages under the act. The bill would require the commission to report the findings and recommendations of this committee to the Legislature. The bill would also require the commission to review the issue of whether the act provides adequate resources for nontraditional, returning, and older adult students, and to report its findings and recommendations to the Legislature.~~

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 69432.7 of the Education Code is~~
 2 SECTION 1. (a) *The Student Aid Commission shall convene*
 3 *a committee to review the existing formula for calculating high*
 4 *school grade point averages under the*
 5 *Ortiz-Pacheco-Poohigian-Vasconcellos Cal Grant Act. This*
 6 *commission shall report the findings and recommendations of this*
 7 *committee to the Legislature. Members of the committee shall*
 8 *include, at a minimum, representatives of the high school*
 9 *community, as well as representatives of the California*
 10 *Community Colleges, the California State University, the*
 11 *University of California, the Association of Independent*

1 *California Colleges and Universities, the California*
2 *Postsecondary Education Commission, and the Superintendent of*
3 *Public Instruction.*

4 *(b) The Student Aid Commission shall review the issue of*
5 *whether the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant*
6 *Act provides adequate resources for nontraditional, returning, and*
7 *older adult students. The commission shall report its findings and*
8 *recommendations on this issue to the Legislature.*

9 ~~amended to read:~~

10 ~~69432.7. As used in this chapter, the following terms have the~~
11 ~~following meanings:~~

12 ~~(a) An “academic year” is July 1 to June 30, inclusive. The~~
13 ~~starting date of a session shall determine the academic year in~~
14 ~~which it is included.~~

15 ~~(b) “Access costs” means living expenses and expenses for~~
16 ~~transportation, supplies, and books.~~

17 ~~(c) “Award year” means one academic year, or the equivalent,~~
18 ~~of attendance at a qualifying institution.~~

19 ~~(d) “College grade point average” and “community college~~
20 ~~grade point average” mean a grade point average calculated on the~~
21 ~~basis of all college work completed, except for nontransferable~~
22 ~~units and courses not counted in the computation for admission to~~
23 ~~a California public institution of higher education that grants a~~
24 ~~baccalaureate degree.~~

25 ~~(e) “Commission” means the Student Aid Commission.~~

26 ~~(f) “Enrollment status” means part-time status or full-time~~
27 ~~status.~~

28 ~~(1) Part time, for purposes of Cal Grant eligibility, is defined~~
29 ~~as 6 to 11 semester units, inclusive, or the equivalent.~~

30 ~~(2) Full time, for purposes of Cal Grant eligibility, is defined~~
31 ~~as 12 or more semester units or the equivalent.~~

32 ~~(g) “Expected family contribution,” with respect to an~~
33 ~~applicant, shall be determined using the federal methodology~~
34 ~~pursuant to subdivision (a) of Section 69506 (as established by~~
35 ~~Title IV of the federal Higher Education Act of 1965, as amended~~
36 ~~(20 U.S.C. Sec. 1070 et seq.)) and applicable rules and regulations~~
37 ~~adopted by the commission.~~

38 ~~(h) “High school grade point average” means a grade point~~
39 ~~average calculated on a 4.0 scale, using all academic coursework~~

known to the reporting official and calculated pursuant to school rules used to determine a pupil's class standing.

(i) "Instructional program of not less than one academic year" means a program of study that results in the award of an associate or baccalaureate degree or certificate requiring at least 24 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(j) "Instructional program of not less than two academic years" means a program of study that results in the award of an associate or baccalaureate degree requiring at least 48 semester units or the equivalent, or that results in eligibility for transfer from a community college to a baccalaureate degree program.

(k) "Maximum household income and asset levels" means the applicable household income and household asset levels for participants in the Cal Grant Program, as defined and adopted in regulations by the commission for the 2001-02 academic year, which shall be set pursuant to the following income and asset ceiling amounts:

CAL GRANT PROGRAM INCOME CEILINGS

	Cal Grant A, C, and F	Cal Grant B
Dependent and Independent students with dependents*		
Family Size		
— Six or more	\$74,100	\$40,700
— Five	\$68,700	\$37,700
— Four	\$64,100	\$33,700
— Three	\$59,000	\$30,300
— Two	\$57,600	\$26,900
Independent		
— Single, no dependents	\$23,500	\$23,500
— Married	\$26,900	\$26,900

*Applies to independent students with dependents other than a spouse.

CAL GRANT PROGRAM ASSET CEILINGS

	Cal Grant A, C, and F	Cal Grant B
Dependent**	\$49,600	\$49,600
Independent	\$23,600	\$23,600

**Applies to independent students with dependents other than a spouse.

The commission shall annually adjust the maximum household income and asset levels based on the percentage change in the cost of living within the meaning of paragraph (1) of subdivision (e) of Section 8 of Article XIII B of the California Constitution.

(l) “Qualifying institution” means any of the following:

(1) Any California private or independent postsecondary educational institution that participates in the Pell Grant program and in at least two of the following federal campus-based student aid programs:

(A) Federal Work-Study.

(B) Perkins Loan Program.

(C) Supplemental Educational Opportunity Grant Program.

(2) Any nonprofit institution headquartered and operating in California that certifies to the commission that 10 percent of the institution’s operating budget, as demonstrated in an audited financial statement, is expended for the purposes of institutionally funded student financial aid in the form of grants, that demonstrates to the commission that it has the administrative capacity to administer the funds, that is accredited by the Western Association of Schools and Colleges, and that meets any other state-required criteria adopted by regulation by the commission in consultation with the Department of Finance. A regionally accredited institution that was deemed qualified by the commission to participate in the Cal Grant Program for the 2000–01 academic year shall retain its eligibility as long as it maintains its existing accreditation status.

(3) Any California public postsecondary educational institution.

(m) “Satisfactory academic progress” means those criteria required by applicable federal standards published in Title 34 of the Code of Federal Regulations. The commission may adopt regulations defining “satisfactory academic progress” in a manner that is consistent with those federal standards.

1 ~~SEC. 2. Section 69437.6 of the Education Code is amended~~
2 ~~to read:~~

3 ~~69437.6. (a) An applicant competing for an award under this~~
4 ~~article shall meet all the requirements of Article 1 (commencing~~
5 ~~with Section 69430).~~

6 ~~(b) To compete for a competitive Cal Grant A award, an~~
7 ~~applicant shall, at a minimum, meet all of the requirements of~~
8 ~~Article 2 (commencing with Section 69434), with the exception of~~
9 ~~paragraphs (1), (3), and (8) of subdivision (b) of Section 69434.~~
10 ~~In lieu of meeting the grade point average requirement set forth in~~
11 ~~paragraph (3) of subdivision (b) of Section 69434, an applicant~~
12 ~~shall submit a community college or college grade point average~~
13 ~~of at least 2.4 on a 4.0 scale.~~

14 ~~(c) To compete for a competitive Cal Grant B award, an~~
15 ~~applicant shall, at a minimum, meet all of the requirements of~~
16 ~~Article 3 (commencing with Section 69435), with the exception of~~
17 ~~paragraphs (1), (3), and (8) of subdivision (a) of Section 69435.3.~~
18 ~~In lieu of meeting the grade point average requirements of~~
19 ~~paragraph (3) of subdivision (a) of Section 69435.3, a student shall~~
20 ~~submit a grade point average as defined in subdivision (d) of~~
21 ~~Section 69432.7 or may reestablish his or her grade point average~~
22 ~~by completing at least 16 cumulative units of credit for academic~~
23 ~~coursework at an accredited California community college, as~~
24 ~~defined by the commission, by regulation, with at least a 2.0~~
25 ~~community college grade point average.~~

26 ~~(d) To compete for a competitive California Community~~
27 ~~College Transfer Cal Grant Award, an applicant shall, at a~~
28 ~~minimum, meet the requirements of Article 4 (commencing with~~
29 ~~Section 69436), with the exception of paragraphs (8) and (9) of~~
30 ~~subdivision (b) of Section 69436.~~

31 ~~(e) All other competitors shall, at a minimum, comply with all~~
32 ~~of the requirements of subdivision (b) of Section 69432.9.~~

33 ~~(f) An individual selected for a Cal Grant A award who enrolls~~
34 ~~in a California community college may elect to have the award~~
35 ~~held in reserve for him or her for a period not to exceed two~~
36 ~~academic years, except that the commission may extend the period~~
37 ~~in which his or her award may be held in reserve for up to three~~
38 ~~academic years if, in the commission's judgment, the rate of~~
39 ~~academic progress has been as rapid as could be expected for the~~
40 ~~personal and financial conditions that the student has encountered.~~

1 The commission shall, in this case, hold the award in reserve for
2 the additional year. Upon receipt of a request to transfer the award
3 to a tuition or fee charging qualifying institution, the individual
4 shall be eligible to receive the Cal Grant A award previously held
5 in reserve if, at the time of the request, he or she meets all of the
6 requirements of this article. Upon receipt of the request, the
7 commission shall reassess the financial need of the award
8 recipient. The commission may prescribe the forms and
9 procedures to be utilized for the purposes of this section. A
10 recipient's years of eligibility for payment of benefits shall be
11 based upon his or her grade level at the time the award is
12 transferred to the tuition or fee charging qualifying institution.
13 Any award so held in reserve shall only be counted once toward
14 the 22,500 awards authorized by this article.

15 SEC. 3. ~~Article 6.3 (commencing with Section 69439.3) is~~
16 ~~added to Chapter 1.7 of Part 42 of the Education Code, to read:~~

17
18 Article 6.3. Cal Grant M Program
19

20 69439.3. Commencing with the _____ academic year, Cal
21 Grant M awards shall be used to defray the cost of tuition and
22 mandatory systemwide fees for nontraditional, returning, and
23 older adult students.